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Mr. Chairman, Members of the Subcommittee, thank you for the opportunity to participate in this first hearing before your committee on the reauthorization of the Nation's surface transportation legislation.

Through the leadership of the Committee on Transportation and Infrastructure, and with the active participation of our State, local and private sector partners, the Department of Transportation has worked to realize the purposes and objectives of the Transportation Equity Act for the 21st Century (TEA-21).

We are looking forward to working with the members of this subcommittee, the full committee and Congress in shaping proposals for the reauthorization of this legislation. Working together, we need to establish the base of resources available for this important legislation in order to meet the transportation challenges facing the Nation.

The enactment of the predecessor of TEA-21, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), revolutionized the Nation's approach to surface transportation. With that legislation, new principles in the implementation of the Nation's surface transportation programs were established: building partnerships with local and State officials to advance the strategic goals for transportation capital investment; flexibility in the use of funds; a commitment to strengthening the intermodal connections of the Nation's transportation system; expanded investment in, and deployment of, new information technologies for transportation services; and a heightened sensitivity to the

impacts that transportation has on our quality of life and on the shape and character of America's communities.

TEA-21 built upon the programmatic initiatives contained in the earlier legislation and, through its financial provisions, provided State and local governments and other transportation providers with greater reliability in planning transportation investments. It achieved this by reforming the treatment of the Highway Trust Fund to ensure that, for the first time, spending from the Highway Trust Fund for infrastructure improvements would be linked to highway revenues. The financial mechanisms of TEA-21-- firewalls and the minimum guarantee -- provided greater equity among States in Federal funding and record levels of transportation investment.

The programmatic and financial initiatives of these two historic surface transportation acts have provided us with a solid and balanced structure around which we can shape this reauthorization legislation. While the legislation should continue to build upon ISTEA and TEA-21, Secretary Mineta has noted that the Department of Transportation has an opportunity and an obligation to do more.

This is a time of extraordinary challenge and opportunity in the transportation sector. The world of surface transportation is changing. The Administration has launched an ambitious new research initiative to develop fuel cell technology that will improve environmental quality and reduce our need for petroleum-based fuels. As we look forward, we will need to consider other sources of revenue for the Nation's transportation programs in anticipation of these technological advances. Furthermore, the events of September 11th have demonstrated how critical the Nation's transportation system is to the security of every American and to the Nation's economic well-being.

Secretary Mineta has articulated a set of core principles and values that will frame the Department's approach to TEA-21's reauthorization. These principles seek to enhance the safety and security of all Americans, even as we increase their mobility, reduce congestion, and grow the economy. These are not incompatible goals; the lessons of TEA-21 demonstrate that these are appropriate, indeed necessary, goals of national transportation policy and that they reinforce each other. It is possible to have a transportation system that is safe and secure, efficient and productive.

TEA-21's Record

In five principal areas, TEA-21 has strengthened the Nation's transportation system: funding levels and program equity; safety; mobility and system upgrading; new technologies; and quality of life.

Funding Levels and Program Equity

TEA-21 dramatically altered the nature of transportation funding and authorized record amounts of funding for transportation, a 40 percent increase over the period of ISTEA. The minimum guarantee and the Highway Trust Fund firewalls created confidence

among grantees regarding program funding. These mechanisms have enhanced the ability of State and local officials to plan, finance and implement their programs. States and local communities have increased their funding levels to match the commitments made in TEA-21. Importantly, TEA-21's minimum guarantee provided unprecedented equity among the States, ensuring that highway funds were distributed in the fairest manner to date.

Equally important was the funding flexibility, first allowed in ISTEA and continued in TEA-21. Flexible funding has allowed States and communities to tailor their transportation choices to meet their unique needs and has enabled State and local decision-makers to consider all transportation options and their impacts on traffic congestion, air pollution, land use patterns, economic development, and quality of life.

TEA-21's innovative loan and grant programs further augmented the highway and transit programs. The Transportation Infrastructure Finance and Innovation Act (TIFIA) has provided almost $3.6 billion in federal credit assistance to eleven projects of national significance representing $15 billion in infrastructure investment. These loans, loan guarantees, and lines of credit for highway, transit and rail projects encouraged private investment in strengthening the transportation infrastructure.

The key to ensuring that highway-related receipts are spent is that the highway funding level is adjusted each year to reflect the latest information on Highway Trust Fund (HTF) receipts. At the time of the enactment of TEA-21, highway program funding levels were set based on estimates of HTF receipts. Each year, the level is adjusted using a formula specified in TEA-21. This adjustment ensures that highway spending remains aligned with HTF receipts.

These adjustments have provided significant additional highway spending over the past three years. Thus far, States have received $9 billion more than they would have received under guaranteed levels. That's $9 billion that is already working in the economy. Unfortunately, due to the recent economic slowdown and current projections of future highway trust fund receipts, the adjustment for FY 2003 will be a negative $4.369 billion. However, even with this negative calculation, over the life of TEA-21, these adjustments will provide a net gain of $4.6 billion in highway spending.

The calculation of the adjustment is not a policy call - it is a budget calculation based in law. As we discuss the reauthorization of TEA-21, we need to look for ways to smooth out current positive and negative swings that result from the adjustments in order to make it more predictable. However, linking highway spending to receipts is a fundamental principle of TEA-21 and should not be abandoned on the eve of reauthorization.

Safety

The safety and security of the public is the Department of Transportation's most important priority, and America has an enviable transportation safety record. The Department's goal is to ensure that the Nation's transportation systems are as safe and

secure as possible, while preserving freedom of mobility and promoting economic vitality. The events of September 11th have underscored the importance of the Department's commitment to this goal.

Highway Safety

The challenge of safety in the transportation system remains significant. While the number of highway fatalities in recent years has been held relatively flat, despite significantly rising numbers of vehicles on our roads, more than a quarter of a million people have been killed on America's roadways in the past six years, 41,000 deaths each year. There are also more than 3 million police-reported injuries annually. We can, we must, and we will strive to do better.

TEA-21 introduced new programs, greater flexibility and increased funding to meet this challenge. Increased TEA-21 funding enabled States to make needed safety improvements to the infrastructure, and States may - and do - use their Surface Transportation Program (STP), Interstate Maintenance, and National Highway System (NHS) funds for safety infrastructure improvements. Safety is built into every interchange upgrade, intersection redesign, signing project and pavement improvement.

Within the STP, 10 percent of funds are reserved under TEA-21 for highway-rail crossing improvements and hazard elimination. The Hazard Elimination program supports efforts to resolve safety problems at hazardous highway locations. Since the enactment of TEA-21, States have obligated $489.3 million in Hazard Elimination funds. Another $707.4 million in optional safety funds have been obligated primarily for Hazard Elimination. The program is estimated to have saved 7,200 lives since 1998. The Highway-Rail Grade Crossing Safety program is designed to reduce crashes at public grade crossings, and $499 million in Highway-Rail Grade Crossing funds have been obligated. The grade crossing safety program is estimated to have saved 2,000 lives since 1998.

The Federal Highway Administration (FHWA) also devotes Surface Transportation Research and Technology Deployment funds to safety initiatives and products. These include innovations, such as automated enforcement of red light running, to improve the safety of intersections. Speed management techniques are designed to reduce the 30 percent of fatal crashes in which speed is a factor. Rumble strips help prevent run-off-the-road crashes, which account for 38 percent of all fatal crashes. FHWA provides technical assistance to States like Maryland, whose 1999 data show a $182 safety benefit for every dollar spent on rumble strip installation.

In 2000, 13 percent of all traffic fatalities were pedestrians and bicyclists. Projects to raise public awareness of pedestrian and bicycle safety are designed to reduce the fatal crash rate for these vulnerable populations. Such projects include "Safer Journey", an award-winning pedestrian safety awareness CD-ROM that provides an interactive "virtual" journey home with critical safety choices on the way. Engineering improvements to make signs more visible and intersections safer for older drivers are taught through Older Driver Workshops for Engineers. Tools and training are being

developed to help planners integrate safety in the metropolitan and State planning processes. The FHWA works closely with States and others to improve our ability to analyze roadway safety challenges and to direct investments to specific projects and programs. This will deliver the most value in terms of lives saved and injuries minimized.

Highway Safety Grant Programs

Since enactment of TEA-21, the Department has awarded a total of $729 million in State and community formula highway safety grants to encourage proper use of occupant protection devices; reduce alcohol and drug-impaired driving; reduce crashes between motorcycles and other vehicles; reduce school bus crashes; improve police traffic services; improve emergency medical services and trauma care systems; increase pedestrian and bicyclist safety; improve traffic record systems; and improve roadway safety.

TEA-21 also established several new safety incentive grant programs. Highway safety programs that TEA-21 authorized have been integral to reducing death and injury on our highways through seat belt use promotion and alcohol-impaired driving countermeasures. Between FY 1999 and FY 2002, NHTSA awarded approximately $323 million in Seat Belt Incentive and Innovative grants. Between FY 1999 and FY 2001, NHTSA awarded $31.3 million to States for Occupant Protection Incentive grants, which fund projects to increase seat belt and child safety seat use through increased enforcement of safety belt and child safety seat laws, air bag education, and correct child safety seat usage education. As of June 2001, seat belt use was at 73 percent, up from 65 percent in June 1998. Seat belt usage saves an estimated 12,000 people annually.

In addition, TEA-21 established incentive grant programs designed to reduce deaths and injuries resulting from alcohol-impaired driving. From FY 1998 through FY 2001, NHTSA awarded approximately $253 million in incentive grants to States that enacted and enforced 0.08 Blood Alcohol Concentration (BAC) laws. In FY 1998, the first year of these incentive grants, 15 States had .08 BAC laws in effect. By FY 2001, 27 States, the District of Columbia and Puerto Rico had complying .08 BAC laws in effect, a significant increase since initiation of the program. Between FY 1998 and FY 2001, NHTSA awarded approximately $132 million to States for Alcohol-Impaired Driving Countermeasures Incentive grants, which fund projects to reduce drunk driving through implementation of new laws, innovative programs and increased enforcement.

Due to transfer programs established under TEA-21, the number of States with open container laws has increased from 14 to 35 including the District of Columbia and the number of States with Repeat Offender laws has increased from 4 to 28 including the District of Columbia.

Transit Safety

TEA-21 continued the Federal Transit Administration's authority to assure that safety and security needs are being addressed. The Act requires that grant recipients spend at least

one percent of their funds on safety and security, unless they certify that such expenditures are not necessary. FTA verifies compliance with this requirement through its triennial review program. Recipients of grants under the "New Starts" program must establish comprehensive safety and security programs and demonstrate their technical capacity to carry out those programs. Additionally, FTA makes capital grants to public transportation agencies for crime prevention and security, as well as research and demonstration grants for both safety and security. Finally, FTA trains over 5,500 public transportation employees each year through the Transportation Safety Institute and National Transit Institute, and provides guidance, manuals and best practices to transportation agencies nationwide.

Transit has an enviable safety record. Across all modes of public transportation, accidents per million passenger miles decreased by nearly 28 percent between 1993 and 1999; transit passenger injuries per million passenger miles declined nearly 24 percent; and fatalities rates remained stable at .008 deaths per million passenger miles. Largely as a result of technological advances, both light rail and heavy rail showed very significant declines in accidents and injury rates.

Motor Carrier Safety

TEA-21 and the Motor Carrier Safety Improvement Act of 1999 (MCSIA) created new programs and tools for the Department and the States to improve safety. TEA-21 increased flexibility for grantees, strengthened Federal and State enforcement capabilities, and provided greater administrative flexibility to promote innovative approaches to improving motor carrier safety. From 1998 through 2001, States received $406 million in Motor Carrier Safety Assistance Program (MCSAP) grants to perform roadside vehicle and driver inspections and other activities to improve the safety of commercial vehicles in their States. TEA-21 also placed greater emphasis on targeting unsafe carriers and improving the information systems and analyses that underpin all national motor carrier safety activities.

TEA-21 gave States greater flexibility to design their motor carrier safety enforcement plans with their particular safety challenges in mind, required coordinated traffic safety planning at the State level, and provided significantly higher levels of funding assistance to States through MCSAP. This increased funding is helping States improve their commercial driver license (CDL) programs. Since 1998, $15.6 million in special commercial driver license grants have been awarded to States to improve the flow of licensing and violation information and step up measures to protect against fraudulent licensing schemes. More than $15 million in additional grants will be awarded this year.

Today 20 States are receiving funds to implement the Federal Motor Carrier Safety Administration's (FMCSA) Performance and Registration Information System Management (PRISM) program up from 5 States in 1998. TEA-21 placed special emphasis on using safety information systems to target enforcement on carriers with poor safety records. The Commercial Vehicle Information System Network (CVISN), allows States, the Federal government and motor carriers to exchange information to support

targeting of high-risk carriers at the roadside. Four States have deployed CVISN, and 30 additional States are ready for deployment.

Using the dedicated funding provided by TEA-21 for safety information systems, the Department has made data on motor carriers' safety performance widely available to the public through our website. This enables businesses to make sure their products move with safe carriers and exerts market pressure on carriers to improve safety performance.

TEA-21 also increased penalties for violations of Federal motor carrier safety regulations, allowing fines of up to $10,000 to be assessed for each non-record keeping safety violation. In April of 1999, we issued guidance to our State Directors to increase penalty assessments consistent with the new levels established in TEA-21 to induce carriers to comply with safety laws by making it financially unacceptable to ignore them.

Federal compliance reviews of motor carriers with poor safety performance records have increased dramatically in the years since passage of TEA-21, up more than 130 percent since 1998. These reviews provide an outstanding opportunity for safety investigators to meet face-to-face with top carrier officials to stress the importance of security as well as safety.

In a special effort since September, FMSCA investigators have visited more than 36,000 carriers of hazardous materials to help identify potential vulnerabilities and discuss immediate steps to tighten security procedures.

The Department is well underway in implementing a wide range of actions to ensure there is no compromise to motor carrier safety as the Administration maintains its commitment to the North American Free Trade Agreement. Rules will soon be issued to establish an application process and strict safety monitoring systems for Mexican motor carriers. FMCSA is hiring 219 additional Federal border safety personnel to ensure Mexican trucks entering the U.S. are in compliance with driver licensing requirements, Federal Motor Carrier Safety regulations, and Hazardous Materials regulations. We are working with closely with States, the General Service Administration, the U.S. Customs Service, and Mexican safety officials to coordinate our actions.

We must build on the safety gains made through TEA-21 to make even more substantial safety and security improvements in our surface transportation system. The reauthorization process furnishes the opportunity to make enhanced security an essential part of the surface transportation system, while addressing the core national goals of mobility, congestion relief and economic growth.

Mobility and System Upgrading

ISTEA and TEA-21 placed an increased emphasis on developing a seamless, intermodal transportation system that links highways, rail, transit, ports and airports. The dramatically increased funding under TEA-21 also enhanced mobility by upgrading the condition of highways, particularly the NHS, and transit systems. As a direct result of the

increased spending provided in TEA-21, overall highway system conditions - as measured by pavement condition, ride quality, alignment adequacy, bridge ratings, and the condition of rail transit assets - have improved.

Federal highway funds have been used for a variety of system improvement and congestion relief purposes, depending on the priority needs and goals of each State. In recent years, for example, approximately 50 percent of Federal funds were obligated for system upgrading purposes, including reconstruction, widening, restoration and rehabilitation, and resurfacing. These investments have led to a steady improvement in pavement condition: in 2000, 90.9 percent of travel on the NHS occurred on pavements rated acceptable or better.

Moreover, under TEA-21, States continued to reduce the number of bridges rated structurally deficient. In 2001 the percentage of deficient NHS bridges had been reduced to 21.2 percent. In FY 2001, FHWA provided $3.5 billion in TEA-21 funding through the Highway Bridge Replacement and Rehabilitation program. States used these funds for approximately 3,000 bridge projects, including seventeen major replacement or rehabilitation projects and three seismic retrofit bridge projects that received almost $88 million in funding. The Innovative Bridge Research and Construction Program emphasizes the role of high-performance materials and construction techniques in reducing maintenance and life-cycle costs. Through 2001, this program has awarded $55 million to help local and State highway agencies defray the cost of incorporating innovative materials and technologies in bridge construction.

Under the Federal Lands Highway Program, Federal land management agencies and Indian tribal governments across America have obligated over $2.4 billion in funding to improve roads, bridges, and transit systems on Federal and Indian lands.

Building on the model of the Alameda Corridor Project, TEA-21 established new programs that enabled improved connectivity across modes, particularly in the area of freight movements. The National Corridor Planning and Development/Coordinated Border Infrastructure Program (also known as the Corridors and Borders Program) has funded numerous freight improvement projects as well as many economic development projects, pedestrian improvement projects, and multi-modal studies, while strengthening the focus on international corridors and gateways with America's NAFTA trading partners.

TEA-21 re-emphasized and focused attention on freight movement within the statewide and metropolitan planning processes, initially called for in ISTEA. As part of a comprehensive effort to assist States and MPOs in better understanding freight demands and issues, the Department developed the Freight Analysis Framework (FAF). The comprehensive national database and analytical system of the FAF allows for analysis of increasing demand for freight transportation, assessments of the implications of freight demands for the entire surface transportation system and improvements in freight efficiency and security.

Although Federal funding represented only 17 percent of the Nation's total investment in transit in 2000, stable federal funding has translated into results for the transit-riding public. Under ISTEA and TEA-21, the substantial investment in the Nation's transit systems has led to a 17 percent increase in total capacity and a corresponding 24 percent increase in transit ridership. Traveling to and from work, medical appointments, school, and social events, people rode our Nation's buses, subways, light rail, commuter rail, ferries, and other modes of public transportation 9.4 billion times in 2000. Transit ridership reached a forty-year high, and Americans saved $60 billion in lost time and productivity, reducing the national cost of traffic congestion by one-third, and increasing the time and resources available for our families, work, recreation, and communities.

The FTA's New Starts program has been a significant financial resource for supporting local transit capital investments. FTA rating criteria now include consideration of impact on mobility and local financial commitment, and these criteria are applied case by case as appropriate. TEA-21 has provided the highest level of New Starts funding ever, at $6 billion over six years. As of today, there are 29 public transportation projects under Full Funding Grant Agreements (as compared with 13 in ISTEA), and this will rise to 36 projects by 2003 with an additional 50 projects in the preliminary engineering or final design stage. FTA's Capital Investment programs have often been the catalyst for revitalizing urban areas and jump-starting development in small- and medium-sized cities.

TEA-21 also established the Bus Rapid Transit (BRT) demonstration program. The program has initiated ten demonstration BRT projects nationwide. An additional seven cities have proceeded with their own BRT projects, introducing rapid, convenient, cost-effective transit in some of America's fastest growing cities. Bus Rapid Transit (BRT) has also benefited from technological advances made possible, in part, through TEA-21. Combining exclusive transit-ways, modern stations, high-tech vehicles, and frequent service, Bus Rapid Transit provides - at a fraction of the cost of rail - the high level of service that people want and expect from more expensive transit systems. And investments in Intelligent Transportation System projects have made Bus Rapid Transit even more convenient, fast, reliable and safe.

For example, Automated Vehicle Location technologies such as satellites or roadside sensors can now track the location of BRT vehicles, providing information for electronic "next vehicle" displays at stations and on-board automated stop announcements. Signal priority systems also use vehicle location information to control traffic signals cycles to give priority to BRT vehicles, while transit operators use it to achieve more consistent passenger wait times. The signal priority system of the Los Angeles Metro Rapid BRT system along the Ventura, Willshire and Whittier corridors, for example, has reduced transit travel times by 20 to 25 percent, and total ridership is up by almost 30 percent. In Miami, ridership along the eight-mile South Busway has doubled to over 15,000 trips per day since it opened in 1996. And in Seattle, a regional Bus Rapid Transit system provides no-transfer, high-speed rides for commuters going from home to work in Seattle's downtown district.

TEA-21 also authorized the Job Access and Reverse Commute (JARC) Program to reduce transportation-related barriers affecting people who are transitioning from welfare to work. Many beneficiaries of the JARC program are inner-city residents who must reach the growing suburban job market. Others need transportation to jobs late at night or on weekends, when transit service is often reduced or non-existent. Further, over half of all women leaving the welfare rolls have young children who must be taken to and picked up from child-care, frequently as part of their commute to and from work. Leveraging federal dollars with a 50 percent matching requirement, through more than 300 active projects in 44 states, the JARC program is providing millions of rides to people striving to get and keep jobs.

New Technologies

Under TEA-21, the Department of Transportation has made strides in research. Research programs include development and deployment of Intelligent Transportation Systems (ITS), pavement improvement, congestion reduction, seismic hardening of highway infrastructure elements, strengthening of bridges, and new tunnel technology. The Highway Safety Research and Development program is the scientific underpinning for the Department's national leadership in highway safety programs, and includes behavioral research to reduce traffic deaths and injuries, crash avoidance research, roadway design and operational improvements, and vehicle safety performance standards. Rail-related research and development has focused on the next generation of high-speed rail equipment and train control, maglev systems, and innovative technologies to mitigate grade crossing hazards.

TEA-21 authorized a total of $603 million for ITS research for FY 1998 to 2003, and significant progress has been made in applying this technology to our surface transportation system. TEA-21 called for development of a national ITS architecture to plan for regionally and nationally compatible deployments of ITS and, currently, 200 architecture development efforts are underway or completed. TEA-21 also called for the accelerated development of national ITS standards and, in the last four years, 51 standards have been approved and published.

Significant progress has been made in ITS deployment. From 1997 to 2000, we have experienced a 37 percent increase in the number of freeway miles with real-time traffic data collection technologies, a 55 percent increase in the coverage of freeways by closed circuit television, a 35 percent increase in the number of buses equipped with automatic vehicle location systems, and an 83 percent increase in traveler information dissemination on our freeways. However, only 22 percent of the freeways in major metropolitan areas are instrumented for real time monitoring. ITS deployment will continue to be a high priority for the Department.

America has begun the adoption of a new, easy-to-remember, local traveler information telephone number--511. It provides information about highways, as well as the status of transit buses, ferries, light rail, and other public transportation in local communities. Currently, 511 services have been launched in 3 locations -- Metro Cincinnati/Northern

Kentucky, statewide in Nebraska, and statewide in Utah. Twenty systems are under development, with seven preparing to begin operation in early 2002.

The Department's multimodal Intelligent Vehicle Initiative is a crucial part of the ITS program. The field operational tests of safety improvements now being conducted will provide greater insight into the practicability of real world use. This research conducted on driver performance, crash avoidance and warning system performance, and motor vehicle safety performance standards offers the promise of future reductions in highway deaths and injuries.

A focus for reauthorization will be improved operation of surface transportation systems, and ITS will have a major role in accomplishing this objective. The Department would like to focus the use of these technologies on providing more relevant and real time information to the traveling public. To address the issues of congestion, security, and emergency response, the Department not only has to complete the deployment of ITS infrastructure in metropolitan areas, but also needs to develop new partnerships with the public safety community and focus on managing the system for better reliability.

A major emphasis in ITS will continue to be in the area of intermodal freight, including addressing the urgent issue of security. The Department is conducting several ITS operational tests that are designed to improve the efficiency and security of the intermodal movement of freight. The Chicago O'Hare cargo project, which is an operational test, uses a "smart card" and biometric identifiers to identify the shipment, vehicle and driver during transportation from the shipper to and through the air cargo terminal. Another project, Cargo-Mate, has particular applicability to port and container security, in addition to enhancing efficiency of freight movement. The system is designed to perform real-time processing of asset and cargo transactions, provide for the surveillance of cargo movement to and from ports, and provide an integrated incident and emergency response capability.

Quality of Life

TEA-21 has given States and communities across America additional tools and opportunities to enhance the environment and quality of life for their residents. It continued and increased funding for several programs originally authorized in ISTEA, broadened eligibility for others and established the new Transportation and Community and System Preservation (TCSP) pilot program. The TCSP program was authorized at $120 million as a discretionary grant program to strengthen the linkages between transportation and land use. The grants have provided funding for planning and implementation as well as technical assistance and research to investigate and address the relationship between transportation, community and system preservation, and private sector-based initiatives.

The Congestion Mitigation and Air Quality Improvement Program has focused on improving air quality. Under TEA-21, it provided more than $8 billion in funding for use by State and local partners to support traffic flow projects, cleaner fuels, improved transit

services, and bicycle and pedestrian programs that reduce congestion and emissions and improve the quality of life.

The National Park Service has purchased buses to reduce congestion in several major National Parks. The Federal Lands Highway Divisions are using context sensitive design techniques and new technology to reconstruct or improve roads through environmentally sensitive areas within National Parks, National Forests, and wildlife refuges.

The National Scenic Byways program and the Transportation Enhancements program have helped States and communities improve the environment. Since the enactment of TEA-21, more than $1.4 billion in Transportation Enhancement funds have been obligated to local communities to implement community-focused, non-motorized activities that enhance transportation. Many more activities have been programmed and are awaiting implementation.

TEA-21 directed the Department to streamline environmental reviews. It is a major priority for the Department to assist States and communities build infrastructure more efficiently, while retaining critical environmental protections.

Successful environmental streamlining requires fostering good working relationships across a number of organizational lines. These relationships allow for the development and establishment of reasonable and realistic schedules for advancing major projects. It is important for the Department to facilitate agreement by Federal agencies on time frames for conducting reviews and granting approvals. Working together in partnerships, combining a full range of Federal, State, and local officials and interest groups, will lead to reasonable ways to meet the Nation's transportation needs, while being good stewards of the environment.

The FY 2002 Department of Transportation Appropriations Conference Report, of November 30, 2001, directed FHWA to report on agency streamlining efforts by January 2, 2002. Although Congress requested only a summary of FHWA activities, we have compiled a comprehensive report of activities and accomplishments to streamline the environmental review process, in order to provide a more complete picture. The report is undergoing final review, and we anticipate delivering it to Congress very shortly.

The Department's streamlining approach, as described in the report, has resulted in:

- Reinvention of the environmental review process, through interagency training, development of national programmatic agreements, and guidance that encourages flexible mitigation practices.
- Definition of a system for dispute resolution that includes draft national procedures, guidance for managing conflict during the project development process, and assistance by qualified dispute resolution specialists to states and project sponsors.

- Research conducted to evaluate project time frames, identify reasons for project delays, and assess the effectiveness of implementation efforts.
- Assistance, support, and encouragement to develop numerous best practices and pilot projects to catalyze change and lead to even better streamlining outcomes.

We have begun the job, but more can be done. Since the enactment of TEA-21 in 1998, progress has been made in streamlining the planning and approval process for projects throughout the country: 33 States have interagency personnel funding agreements that result in faster, concurrent reviews; 23 States have adopted a merged process for wetland permits with the Army Corps of Engineers; 15 States have adopted context sensitive design approaches; and 31 States have some level of delegated authority for historic resources. As a result of these actions, the mean time to process environmental documents for major highway projects has been cut by almost eight months, the median time has been cut by one year, and the Department is well positioned for significant future progress.

Innovations such as these, and many undertaken under the other topics we have addressed, take good data for analysis, and we would last note the value of the Bureau of Transportation Statistics to our ability to implement TEA-21 effectively. The Bureau of Transportation Statistics has in the past 10 years become a key data source for the transportation community. BTS is focusing on several key initiatives that will provide better data for more informed decision-making. More frequent surveys of freight movements will make the data used by States more timely, complete and geographically detailed. A series of safety data projects will help target crash and fatality reduction. A more accessible on-line website will provide one-stop shopping for transportation data. Gathering of bicycle and pedestrian information will help local planning efforts. BTS is also the lead agency for the national spatial data infrastructure, a government-wide geographic information effort that has important implications for homeland security.

Building on TEA-21

The Department of Transportation looks forward to working with both Houses of Congress, State and local officials, tribal governments, and stakeholders in shaping the surface transportation reauthorization legislation. The Department has established an intermodal process to develop surface transportation legislative proposals for reauthorization. A number of intermodal working groups have already identified key issues and programmatic options for consideration. In the next few months, the Department will work with stakeholders and Congressional committees in shaping the reauthorization legislation.

Under the Secretary's leadership, the Department's reauthorization effort will be motivated by certain core principles and values:

- Assuring adequate and predictable funding for investment in the Nation's transportation system. This funding can contribute to the long-term health of the

economy and, by enhancing the mobility of people and goods, promote greater productivity and efficiency.

- Preserving state and local government funding flexibility to allow the broadest application of funds to transportation solutions.
- Building on the intermodal approaches of ISTEA and TEA-21.
- Expanding and improving innovative financing programs, in order to encourage greater private sector investment in the transportation system, and examining other means to augment existing trust funds and revenue streams.
- Emphasizing the security of the Nation's surface transportation system.
- Making substantial improvements in the safety of the Nation's surface transportation system. It is not acceptable that the Nation suffers 41,000 deaths and over 3 million injuries annually on the highway system.
- Strengthening the efficiency and integration of the Nation's system of goods movement by improving international gateways and points of intermodal connection.
- Simplifying Federal transportation programs and continuing efforts to streamline project approval and implementation.
- Developing the data and analyses critical to sound transportation decisionmaking.
- Fostering the development and deployment of technology, such as pavement monitoring, message systems, remote sensing, and toll collection, to promote intelligent transportation systems.
- Focusing on the performance of the entire transportation system, through better planning, management, construction, operations, asset management, maintenance and construction.
- Increasing the accessibility of the transportation system so that all Americans can enjoy its benefits.

It is particularly important to underscore that as we launch the process in the wake of September 11, we are mindful of the overarching importance of continuing to address the security of our Nation's transportation system. Following the September attacks, Federal, State and local officials, transit operators, motor carriers, and police departments took immediate steps to enhance security. They added security personnel, emphasized security awareness and response training, and began the process of hardening our transportation infrastructure against the threat of terrorism. This urgent work is continuing. We look forward to working with Congress on these critical requirements as the reauthorization process continues.

This is a moment of great opportunity. As was true when Congress considered the landmark ISTEA and TEA-21 legislation, we have an opportunity to create our own legacy and to serve the needs of the American people. We are confident that, working together, the Department and Congress can preserve, enhance, and establish surface transportation programs that will provide not only for a safer and more secure system, but one which is more efficient and productive and enhances the quality of life. One answer to the events of September 11 is to strengthen, not diminish, the right of all Americans to mobility and to grow the economy. These goals should characterize our work on enacting new surface transportation legislation.

Again, Mr. Chairman, thank you for the opportunity to testify before your subcommittee today. We look forward to responding to any questions you may have.